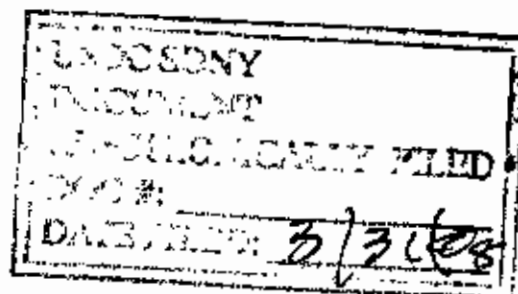


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**UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK**

-----X
 THE TRAVELERS INDEMNITY COMPANY,
 SUCCESSOR IN INTEREST BY MERGER TO
 GULF INSURANCE COMPANY,

Plaintiff,

- against -

MODERN INDUSTRIES, INC., RONEN KOZOKHAR
 and ALLA KRASNER
 -----X

Civil Action No.: 07-CV-4032
 (NRB)

**FINAL JUDGMENT
 AGAINST MODERN
 INDUSTRIES, INC.**

This matter having been opened to the Court by way of motion filed by plaintiff, The Travelers Indemnity Company, successor in interest by merger to Gulf Insurance Company ("Travelers"), by its attorneys, McElroy, Deutsch, Mulvaney & Carpenter, LLP, seeking the entry of final judgment by default against defendant, Modern Industries, Inc., pursuant to Fed. R. Civ. P. 55(b)(2); and the Complaint in this matter having been filed on May 23, 2007, seeking damages as a result of, among other things, Defendants' breach of an Indemnity Agreement dated May 14, 2002 (attached as Exhibit A to the Complaint); and service of a copy of the Summons and Complaint having been properly effectuated with respect to defendant, Modern


Industries, Inc., and the time for answering the Complaint having expired; and defendant, Modern Industries, Inc. having not been granted an extension of time within which to interpose an answer and having failed to interpose an answer or otherwise respond to the Complaint; and Scott A. Levin, counsel for Travelers, having verified in his August 6, 2007 Affidavit in Support of Request for Entry of Default as to defendant, Modern Industries, Inc. that Modern Industries, Inc., as a corporation, cannot be an infant, incompetent person, or be in the military, and the default of defendant, Modern Industries, Inc. having been duly noted by the Court for its failure to plead or otherwise defend in this action; and Travelers having provided defendant, Modern Industries, Inc. with notice of the motion for default judgment and related documentation; and the Court having reviewed the papers, including the Affidavit of R. Jeffrey Olson, Bond Claim Manager for Travelers, which Affidavit recites \$406,786.18 in damages; and good cause having been shown:

IT IS on this 31st day of March, 2008,

ORDERED, ADJUDGED AND DECREED, that final judgment is entered in favor of The Travelers Indemnity Company, and against defendant, Modern Industries, Inc., in the sum of \$406,786.18, and that The Travelers Indemnity Company shall have execution thereof; and it is further

ORDERED, ADJUDGED AND DECREED, that The Travelers Indemnity Company is entitled to reserve its rights to seek additional amounts against defendant, Modern Industries, Inc. should The Travelers Indemnity Company incur any additional losses and expenses as the result

of its issuance of bonds on behalf of Modern Industries, Inc.


Naomi R. Buchwald, U.S.D.J. 3/31/08